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Joint Inspection Unit

Report of the Joint Inspection Unit on harmonization of the conditions of travel throughout the United Nations system

Note by the Secretary-General

The Secretary-General has the honour to transmit for the consideration of the members of the General Assembly his comments, as well as those of the United Nations System Chief Executives Board for Coordination, on the report of the Joint Inspection Unit entitled "Harmonization of the conditions of travel throughout the United Nations system" (A/60/78).

* A/60/150.

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Summary

The Joint Inspection Unit (JIU) report reviews the administration of travel in the organizations of the United Nations system and contains a comparative analysis of the conditions under which staff travel are undertaken and travel entitlements determined in accordance with staff rules of the various organizations of the system, taking into account the rapid changes taking place in the airline industry.

The report finds that, while many changes have been made to improve the conditions of travel over recent years, significant disparities still remain regarding the rules and practices of the organizations of the system, particularly with respect to the determination of entitlements for business class travel, use of lump sum options for various categories of travel, stopovers for travel of a certain duration, use of rental and private cars, payment of daily subsistence allowances and the verification procedures for actual travel undertaken for accounting and insurance purposes under the lump sum option. The report makes a number of recommendations and suggests approaches in which the travel-related policies and practices throughout the organizations of the United Nations system may be harmonized and made more cost-effective.

Members of the United Nations System Chief Executive Board for Coordination (CEB) greatly appreciate the comparative analysis of travel practices within the United Nations system contained in the report and agree on the importance of achieving greater harmonization, where possible, for increased leverage and cost-effectiveness and for ensuring the health and welfare of staff members of the system.

I. Introduction

1. The JIU report entitled "Harmonization of the conditions of travel throughout the United Nations system" presents a comprehensive analysis and a thorough historical review of the administration of travel in the United Nations system, especially in the light of the rapid changes taking place in the travel industry, including the impact of security measures on the time and conditions of travel. It continues a set of important recommendations, which, if implemented, should clarify the determination of travel entitlements that hitherto have not been addressed in a comprehensive manner. Among those recommendations is the need to reduce the travel time threshold for business class travel on health grounds, the use of lump sum options for certain categories of travel and the need for stopovers for travel of a certain duration. The report also examines the desirability of further simplification of rules and regulations pertaining to travel.

2. In a system where travel rules and regulations differ, many organizations have already taken the initiative to review the application of travel rules and entitlements. At the request of the General Assembly, the International Civil Service Commission (ICSC) is also carrying out a study on the subject, with a view to ensuring the application of best practices and travel policies throughout the United Nations system.

II. General comments

3. CEB members welcome the JIU report. They regard it as relevant and timely, particularly in the light of the ever-increasing need for staff members of the organizations of the United Nations system to undertake travel amid changing conditions in the global airline travel industry and the heightened awareness of the need to improve staff safety and security.

4. CEB members take note of the ongoing review of regulations and rules relating to travel by the United Nations, which were last reviewed in 2000. The Secretariat is expected to make two sets of recommendations, namely those that can be implemented under the authority of the Secretary-General and those that will require the approval of the General Assembly.

5. Considerable progress has been achieved in furthering harmonization in this field through the work of the inter-agency travel network. The network also serves as a mechanism for sharing all system-wide travel-related information and helps establish standards and best practices.

6. CEB members are of the view that, following the 1995 JIU report on travel within the United Nations system (JIU/REP/95/10), many changes in travel policies were implemented to improve travel conditions, revise travel-related policies to overcome the negative impact of rapid changes in the travel industry on the quality of travel and streamline administrative procedures. Many new travel practices are shared by the organizations of the United Nations system through inter-agency consultations and coordination with the common objective of increasing harmonization of the conditions of travel throughout the system. Yet, in spite of those efforts, disparities persist across the various organizations, particularly with regard to granting business class travel (flight duration requirement currently varies

from between five and nine hours), the issue of the lump sum option and the question of stopovers for flights of certain duration.

7. As concerns the travel time threshold for business class travel, CEB members unanimously support the need to harmonize applicable rules and system-wide practices, especially in view of health considerations with respect to staff members undertaking travel, which have been highlighted by the World Health Organization (WHO).

8. CEB members also agree with other findings and conclusions of the report, namely that:

- The most cost-effective means of travel should always be considered; for instance, rail travel in certain cases, notwithstanding the fact that air travel is stipulated as the preferred means of travel in the staff rules of many organizations
- The reduction of administrative overhead costs associated with travel management should not be at the expense of travellers flexibility in order to comply with demanding schedules
- Verification of actual travel undertaken for both insurance and accountability purposes should not result in additional workload involving the internal and external auditing activities of the concerned organizations of the United Nations system.

II. Comments on specific recommendations

Recommendation 1

The General Assembly should mandate the Secretary-General to review, within the framework of CEB, the criteria used to determine the class of travel of staff members, with a view to adopting a common policy at the United Nations system level, in particular with regard to the minimum travel time for entitlement to business class. CEB should take into account the recommendation of the International Civil Service Commission contained in its annual report of 1997.[1] Among other factors to be taken into account are the drastic changes in the airline industry in recent years and the resulting deterioration of travel conditions, the increase in travel time as a consequence of tightened security and the opinion of the United Nations Medical Service on the health risks of long haul air travel and measures to minimize them (including the possibility of establishing a threshold by age for entitlement to business class). In addition, as a rule, only the heads of the organizations should travel first class and travel entitlements of high-ranking officials should align to business class in order to achieve greater uniformity (paras. 23-30).

9. CEB members support this recommendation and note that some organizations of the system have already taken steps to reduce the threshold for business class travel from nine hours to six hours, in the case of duty travel for one organization, and to seven hours, in the case of another organization. They generally continue to support the recommendation of ICSC to establish a business class threshold of seven hours bearing in mind the deterioration of travel conditions and established associated health risks of long air travel.

10. As regards the possibility of establishing a threshold for business class travel by age category, CEB members express reservations as this approach is not deemed practical and as it would likely lead to unnecessary additional administrative burden, which would not be consistent with ongoing efforts to streamline and simplify travel processing. In that regard, CEB members are of the view that health considerations, rather than age, would be a more relevant factor to consider in determining a business class travel threshold.

11. They agree that CEB and ICSC should coordinate their activities to avoid duplication.

Recommendation 2

The executive heads of the organizations of the United Nations system which have not yet done so, namely WHO, the International Telecommunication Union (ITU), the World Intellectual Property Organization (WIPO) and the United Nations Population Fund (UNFPA), should extend the lump sum option to family visit and education travel. The Secretary-General, within the existing inter-agency coordination mechanisms, should examine the benefits of extending the lump sum approach to other categories of travel (upon appointment, change of duty station and separation and for interviews), taking into account the experience of other organizations already applying it. In this regard, the Inspector supports the recommendation of the Open-ended High-level Working Group on the Strengthening of the United Nations, action 25 (a), to apply the payment of a lump sum for repatriation travel (paras. 52, 53 and 61).

12. In general, CEB members are in favour of this recommendation, which is consistent with the practice already being followed by the United Nations funds and programmes, including UNFPA. They welcome the lump sum approach and are prepared to consider extending it to other categories of travel, such as change of duty station or separation from service/repatriation and, with some exceptions, travel upon appointment and for interviews. With respect to the latter two categories of travel, some organizations favour self-purchase of tickets subject to reimbursement of travel claims up to a pre-agreed or fixed amount.

13. Smaller organizations of the system, however, have indicated that the use of the lump sum option may entail some difficulties on account of one or more of the following factors:

- The lump sum approach is more costly in practice
- The use of negotiated fares results in more cost savings than the lump sum approach
- Organizations that do not have a significant volume of family visits find the lump sum option to be more costly
- In respect of education grant travel, some organizations share the common experience that the continuous monitoring of changes in airfares can often provide greater savings compared to a lump sum arrangement.

Recommendation 3

The executive heads of the organizations of the United Nations system paying a lump sum amount for home leave, family visit and education travel should use as a benchmark 75 per cent of the full economy fare (the International Air Transport Association published fare, by most direct route) (paras. 55-60).

14. Though the actual practice varies, there is a general agreement on the use of rates for payment of lump sum amounts. Many organizations use 75 per cent as the benchmark figure, which they consider as a "best practice" that could be followed by the entire system. That said, some CEB members are of the view that, given the recent developments in the travel industry and the difficulty of determining standard fares, that benchmark figure needs to be reviewed from time to time and organizations should retain flexibility, in the light of their location and circumstances, while using 75 per cent as a basic norm.

Recommendation 4

The executive heads of the organizations of the United Nations system which have not yet done so, namely, the United Nations, the Universal Postal Union (UPU), the International Civil Aviation Organization (ICAO), WIPO, the International Labour Organization (ILO), the International Maritime Organization (IMO), WHO, ITU and the World Meteorological Organization, should discontinue the existing provisions requiring evidence of travel under the lump sum option, in line with the recommendation of the Open-ended High-level Working Group on the Strengthening of the United Nations, action 25 (a). Instead, travellers' self-certification, along with an adequate audit process (through random checks of supporting documentation to be kept by the staff members), should be implemented (paras. 62-63).

15. While CEB members generally appreciate the intent and purpose of this recommendation and agree that it could result in significant streamlining of the administrative processes relating to travel, they also believe that each organization would need to determine if the introduction of self-certification for lump sum travel would enable it to retain a minimum yet adequate level of control of the use of funds for travel.

Recommendation 5

The General Assembly should request the Secretary-General to discontinue the practice of reporting exceptions to the approved class of travel. Existing related internal control mechanisms should remain in place. Clear criteria should be established for exceptions, particularly for upgrading travel to first class for reasons of eminency and on medical grounds. The General Assembly should legislate on the standard of accommodation applicable to the Deputy Secretary-General, the President of the General Assembly and the personal aides/security officers travelling with the Secretary-General so as to discontinue the repeated treatment of these cases as exceptions (paras. 33-36).

16. The Secretary-General supports the second part of this recommendation, concerning the legislation by the General Assembly on the standard of accommodation applicable to the Deputy Secretary-General, the President of the General Assembly and the personal aides/security officers travelling with the Secretary-General. As for the first part of this recommendation, the Secretariat points out that, while it may be desirable in the interest of efficiency to discontinue reporting on the exceptions of travel to the General Assembly, the reporting of exceptions in itself discourages the granting of exceptions and ensures greater accountability by individual offices. It is essential that, in the interest of transparency, exceptions to standards of accommodation are regularly reported and made readily accessible to interested parties. The Secretariat is thus considering steps to establish more extensive criteria for granting exceptions for whatever reason they may need to be granted.

Recommendation 6

The executive heads of the organizations of the United Nations common system should enforce the use of alternative modes of transportation when more cost-effective in the interest of the organizations. Relevant rules and provisions should be modified as applicable in each case (paras. 37-43).

17. This recommendation is acceptable.

Recommendation 7

The use of rented cars should be regulated (para. 44).

18. This recommendation is acceptable, although members of CEB note that it needs to be considered in the context of each organization's specific requirements and operating costs, which vary from location to location.

Recommendation 8

In the interest of streamlining procedures for reimbursement of travel by private car, the Secretary-General should review the current mileage system with a view to replacing it by a standard rate to be applied worldwide by the organizations of the United Nations system (paras. 45-48).

19. CEB members support the recommendation and agree that the current system of setting the rates of reimbursement for travel by private car could be simplified, as the current set-up does not appear to be cost-effective. However, a single worldwide standard could result in significant over-reimbursement for staff using their cars in countries with the lowest cost (currently 16 cents per mile or 10 cents per kilometre) and under-reimbursement for staff using their car in countries with the highest cost (currently 28 cents per mile or 17.5 cents per kilometre). The setting of guidelines and a mileage system is, however, within the purview of ICSC, and the Secretariat intends to raise the matter with ICSC at the upcoming review of travel entitlements and their application.

Recommendation 9

The executive heads of the organizations which do not pay full advance of subsistence and/or terminal expenses (ILO, WHO, the United Nations Educational, Scientific and Cultural Organization, ICAO, UPU and IMO)

should introduce this best practice currently in place in various organizations of the system in order to reduce workload for processing of travel claims. Organizations should seek to automate (online) the processing of travel claims (paras. 68-71).

20. This recommendation is fully supported as a "best practice" and many organizations are in the process of implementing it. It is held, however, that if the full daily subsistence allowance is paid, the financial controls associated with official travel and the costs and other ramifications of redesigning the information technology systems in place for such payment should be given full consideration.

Recommendation 10

The executive heads of the organizations of the United Nations system where staff members travel business class should increase the threshold for the granting of stopovers for rest purposes from 10 to 16 hours. Conversely, staff members not travelling in business class should be entitled to have a stopover after a 10-hour journey (paras. 64-67).

21. The threshold of 16 hours for granting stopovers for rest purposes generally reflects the current practice by the organizations of the system. As regards the second part of the recommendation, namely stopovers after a 10-hour journey for staff members not travelling in business class, most organizations of the system would like to revisit this issue in the light of health concerns highlighted by WHO.

Recommendation 11

The executive heads of the respective United Nations system organizations that have not yet done so should adopt provisions based on best practices with regard to reverse education travel, travel of breastfeeding mothers, travel of single parents, the possibility of choosing an alternative place of home leave taking into account the nationality of the spouse, and the minimum number of days to be spent in the country of home leave (paras. 11-14).

22. This recommendation is already being implemented or is being actively considered by most of the organizations of the system, including travel of one parent to visit a child in lieu of education grant travel, travel of lactating mothers and their infants, the reduction of the minimum number of days to be spent on home leave and provisions of an alternative place of home leave taking into account the spouse.

Recommendation 12

The General Assembly may wish to request the Secretary-General to initiate, in the framework of CEB, a review of the standards of travel and entitlements for members of various organs and subsidiary organs of the United Nations and organizations in the United Nations system with a view to formulating proposals for harmonizing these standards at the United Nations system level (paras. 72-75).

23. This recommendation is acceptable. The High-level Committee on Management, through its human resources and finance and budget networks, periodically reviews the standards for travel and entitlements across the organizations of the system and advances specific proposals for further harmonizing, whenever possible, travel policies, sharing of best practices and

streamlining of administrative procedures relating to travel. The Committee, through those networks, also takes into consideration the work of ICSC relating to the development of standards for travel and entitlements within the United Nations system.

Notes

[1] *Official Records of the General Assembly, Fifty-second Session, Supplement No. 30* (A/52/30), para. 275.